

# **BOARD DIVERSITY POLICY**

## **1. INTRODUCTION**

This Policy aims to set out the principles of Pelangi Publishing Group Bhd. (“PPG”) to maintain a Board with a diversity of directors.

This Policy pursue to record, more formally, the Company’s policy on board diversity and to the extent practicable, the Company will address the recommendations and commentary provided in the Malaysian Code on Corporate Governance 2017 (“MCCG 2017”).

## **2. PRINCIPLE AND OBJECTIVE**

- a. Board diversity is an essential measure of good governance, is a critical attribute of a well-functioning board and contributing to the sustainable development of the Company. It enhances decision-making capability and a diverse board is more effective in dealing with organisational changes;
- b. In applying this Policy we recognise that directors are appointed by shareholders, not the Board or the Company. The right to appoint directors is one of the most important rights exercisable by shareholders and is not sought to be restricted by this Policy. Merit and competence to serve the Board and hence shareholders remains the first priority.
- c. The objectives of this Policy are to have a Board which:
  - i. is characterised by a broad range of viewpoints rather than just diversity in skills and experience; diversity in viewpoints would exist if there is diversity in gender, nationality, age, culture and socio-economic backgrounds;
  - ii. has sustainable development as its core value, and thus promotes the interests of all our stakeholders, particularly the long term interests of our shareholders, fairly and effectively.

## **3. SCOPE ON BOARD DIVERSITY**

The Board is of the view that it is important to promote boardroom diversity in term of gender, age, ethnicity, independence and skills and experience, the normal selection criteria based on an effective blend of competences, skills, extensive experience and knowledge of strengthen the Board should remain a priority. The Board would take into the consideration the following measures:

### **a. Gender**

The Board also takes cognisant of the recommendation of the Malaysian Government to have at least 30% women as decision makers in corporate sector as promulgated by the Cabinet in 2011. This has then been highlighted again in the Corporate Governance Blueprint 2011 – Towards Excellence in Corporate Governance issued by the Securities Commission, Malaysia which stipulates a goal for women participation on boards to reach 30%. The Company will work towards to attract more women participant on the Board.

The Company is committed to provide a suitable working environment that is free from harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

### **b. Age**

The Board is fully committed to promoting age diversity, valuing the contribution of its members regardless of age, and seek to eliminate age stereotyping and discrimination on age.

The Company does not set any specific target for the boardroom range diversity but will work towards having appropriate age diversity in the Board.

The Company does not fix age limit for its Directors given that such Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company.

c. Ethnicity

To cope with the PPG's businesses, we aspire to having a board of directors of different nationality or ethnic backgrounds who can contribute their knowledge and understanding of the environment.

d. Independence

The Board includes a balanced composition of Executive, Non-executive Directors and Independent Non-executive Directors so that there is a strong element of independence in the Board. The Independent Non-executive Directors shall be of sufficient calibre and standing for their views to carry weight.

e. Skills and Experience

The Board possesses a balance of skills appropriate for the requirements of the business of the Company. The Directors have a mix of finance, business, academic and management backgrounds that taken together provide the Company with considerable experience in a range of activities including varied industries, education, banking, investment, logistic and the professions.

#### **4. MEASURABLE OBJECTIVE**

- a. The Board embraces the importance to promote gender diversity, the normal selection criteria based on an effective blend of skills, competencies, extensive experience and knowledge to strengthen the Board should remain a priority. Thus, the Company does not set any specific target for female directors in the Gender Diversity Policy and will actively work towards having more female directors on the Board.
- b. Selection of candidates will be based on a range of diversity perspectives, including but not limited to professional experiences, business experiences, skills, knowledge, age, gender, ethnicity and educational background. The ultimate decision will be based on merit and contribution that the selected candidates who will bring to the Board. The Board's composition (including age, gender and ethnicity) will be disclosed in the Corporate Governance Report annually.
- c. The Nomination Committee is responsible in ensuring that gender diversity objectives are adopted in board recruitment, board performance evaluation and succession planning processes.
- d. The Company shall provide a suitable working environment that is free from harassment and discrimination in order to attract and retain women participation on the Board.

#### **5. MONITORING AND REPORTING**

Pursuant to the Term of Reference of the Nomination Committee (NC), the NC is (among other things) responsible for:

- a. formally assessing the appropriate mix of diversity, skills, experience and expertise required on the Board and assessing the extent to which the required skills are represented on the Board;
- b. making recommendations to the Board in relation to Board succession, including the succession of the Chairman, to maintain an appropriate mix of diversity, skills, experience and expertise on the Board and
- c. reviewing and reporting to the Board in relation to Board diversity.

The Nomination Committee will report to the Board on:

- a. initiatives undertaken by the Board in relation to board Diversity and to achieve the Measurable Objectives,
- b. progress in achieving the Measurable Objectives and

- c. make recommendations to the Board regarding the Measurable Objectives.

The Board has to, at least annually, assess:

- a. the Measurable Objectives and
- b. progress in achieving the Measurable Objectives.

## **6. PUBLICATION AND REVISION**

A summary of this Policy, together with the measurable objective set for the implementation of this Policy will be included annually in the Corporate Governance Statement.

Any revisions to this policy as recommended by the NC will be submitted to the Board for consideration and approval.

This policy will be available on the Company's website [www.pelangipublishing.com](http://www.pelangipublishing.com) for public information.

